

STATE EMPLOYEES' PENSION PLAN RETIREMENT OVERVIEW

The State Employees' Pension Plan (Plan) is provided for under Chapter 55, Title 29, Delaware Code, as amended.

The following are some highlights and general information of the Plan:

PENSION ELIGIBILITY

❖ Initially hired prior to January 1, 2012:

Service

1. Five (5) years credited service (must have five (5) consecutive) and has attained age 62;
2. Fifteen (15) years of credited service (must have five (5) consecutive) and has attained age 60;
3. Thirty (30) years of credited service (must have five (5) consecutive) regardless of age.

Vested Service

1. Five (5) years credited service (must have five (5) consecutive) and has attained age 62;
2. Twenty (20) years of credited service (must have five (5) consecutive), which includes service prior to July 1, 1976, and has attained age 60.

Reduced Service

1. Fifteen (15) years of credited service (must have five (5) consecutive) and has attained age 55
Reduced by .2% for each month the member is under age 60;
2. Twenty-five (25) years of credited service (must have five (5) consecutive),
Reduced by .2% for each month the member has less than 30 years.

Disability (Not applicable if Disability Insurance Program was elected)

1. Five (5) years of credited service (must have five (5) consecutive) and develops a physical or mental disability which prevents the member from performing the duties of the member's position.

Any disability pensioner who has not attained age 60 shall report the total earnings from any gainful occupation.

Survivor

1. Upon the death of an active member who has five (5) consecutive years of credited service, a monthly survivor's pension shall be payable to the survivor(s) equal to 75% of the service pension the member would have been eligible to receive;
2. At retirement, a member has the option of providing a 75% survivor's pension by electing a 3% reduction in his/her own pension. This election is irrevocable and must be made prior to the issuance of the first pension check.
3. If member is currently in a vested status, a survivor's pension is payable based on the future effective date and amount the vested member would have been eligible to receive.

An eligible survivor in order of priority as established by law:

1. Spouse (legally married)
2. Dependent child(ren)
3. Dependent parent(s)

Priority may be changed by filing a notarized Survivor Order of Priority (SOP-1) form.

❖ Initially hired on or after January 1, 2012:

Service

1. Ten (10) years credited service (must have five (5) consecutive) and has attained age 65;
2. Twenty (20) years of credited service (must have five (5) consecutive) and has attained age 60;
3. Thirty (30) years of credited service (must have five (5) consecutive) regardless of age.

Vested Service

1. Ten (10) years credited service (must have five (5) consecutive) and has attained age 65;

Reduced Service

1. Fifteen (15) years of credited service (must have five (5) consecutive) and has attained age 55
Reduced by .4% for each month the member is under age 60;
2. Twenty-five (25) years of credited service (must have five (5) consecutive),
Reduced by .4% for each month the member has less than 30 years.

Disability Insurance Program (DIP)

Members employed in a pension creditable position. Short Term Disability (STD) pays a portion of the member's monthly income if the member is unable to work because of a disabling illness or injury occurring on or off the job. STD benefits commence after completion of a thirty (30) calendar day elimination period for up to a maximum period of 182 calendar days. After the 182 calendar day maximum and if approved, Long Term Disability (LTD) benefits commence.

Survivor

1. Upon the death of an active member who has five (5) years of credited service (must have five (5) consecutive), a monthly survivor's pension shall be payable to the survivor(s) equal to 75% of the service pension the member would have been eligible to receive;
2. At retirement, a member has the option of providing a 75% survivor's pension by electing a 3% reduction in his/her own pension. This election is irrevocable and must be made prior to the issuance of the first pension check.
3. If member is currently in a vested status, a survivor's pension is payable based on the future effective date and amount the vested member would have been eligible to receive.

An eligible survivor in order of priority as established by law:

1. Spouse (legally married)
2. Dependent child(ren)
3. Dependent parent(s)

Priority may be changed by filing a notarized Survivor Order of Priority (SOP-1) form.

ADDITIONAL SERVICE (If applicable)

Buy-In Options (Cannot be purchased for retirement eligibility)

1. Approved medical or personal leave(s) of absence
2. Other Professional Educational Employment (OPEE)*
(Initially hired with State of Delaware prior to July 1, 1976)
3. Actuarial (Initially hired with State of Delaware after July 1, 1976)*
 - Military service
 - Other governmental service
 - OPEE
4. Sick Leave
5. Prior service with the New State Police, Judicial, County and Municipal Police or County and Municipal General Employees' Pension Plans may be unified with your service with the State Employees' Pension Plan.

*Any out of state verification must be verified by the Office of Pensions prior to retirement.

PRELIMINARIES

The Office of Pensions may be contacted at any time for information, advice and/or pension estimates. Please call (302) 739-4208 or 1-800- 722-7300.

Your most recent employing organization is responsible for the preparation of your pension application and related documents, for having you sign the application and other forms and for submitting this paperwork to the Office of Pensions. We suggest you contact your Human Resources Office at least four (4) months before you plan to retire to begin the application process.

REQUIRED DOCUMENTS

The member is responsible for obtaining and submitting the following personal documents to his/her most recent employing organization:

- Birth Document of member, spouse and eligible dependent(s)
Naturalization Papers and Passport are not accepted as proof of birth.
- Marriage Document(s), Death Certificate(s) and Divorce Decree(s), as applicable
Required to establish name change(s). A federal identification compliant Delaware driver license or identification card (provided the current name is the same as that on the DE driver's license or identification card), may be used in lieu of birth certificate or name change document.
- Social Security Card (SS card) of member, spouse and eligible dependent(s)
SS card must be signed. Metal cards are not acceptable.

- Medicare Card showing Parts A and B coverage (as appropriate) for member, spouse and dependent(s)

Additional documents may be required depending on individual case.

PENSIONER BENEFITS

Joint and Survivor Benefit

The member has the option of providing a 75% survivor's pension benefit by taking a 3% reduction in his /her own pension, or at 50% with no reduction. This option is irrevocable and must be made prior to the issuance of the first pension check. In the case of the death of an active member, the 75% option is assumed.

Burial Benefits

A burial benefit in the amount of \$7,000 is provided at no cost to the pensioner. The Burial Benefit Designation/Change of Beneficiary form (GL) requires the date of birth, address and Social Security number of the person(s) designated. The designated beneficiary(ies) can be changed at any time by completing and submitting a new Burial Benefit Designation/Change of Beneficiary form (GL).

Blood Bank

Membership is available at no cost to the pensioner. The Office of Pensions pays the annual dues. Periodic blood obligation remains the responsibility of the pensioner.

Direct Deposit

Deposit of the monthly benefit to a checking, savings or other account is required.

Credit Union

Pensioners may retain Credit Union membership acquired while still employed.

Tax Withholding Election Form

Form 1099-R, mailed prior to January 31 of each year, outlines the total amount of pension benefit paid, taxes withheld and other important tax reporting items.

Tax withholding options are:

1. No taxes withheld; pensioner is responsible at the end of the year if taxes are owed.
2. File as married or single with a number of exemptions claimed.
3. Flat dollar amount.
4. Only State taxes for Delaware can be withheld

Health Insurance

Health benefits are available with the “State Share” being covered by the Office of Pensions for members first hired prior to July 1, 1991, Long Term Disability (LTD) recipients and disability pensioners.

Members first hired on or after July 1, 1991, the following portion of the “State Share” will be paid by the Office of Pensions:

Less than 10 years	0%
10 years - 14 years 11 months	50%
15 years - 19 years 11 months	75%
20 years or more	100%

Members hired on or after January 1, 2007, the following portion of the “State Share” will be paid by the Office of Pensions:

Less than 15 years	0%
15 years -17 years 5 months	50%
17 years 6 months - 19 years 11 months	75%
20 years or more	100%

The same health insurance plans available to you as an active employee are available to you as a pensioner. Medicare eligible pensioners, spouses and/or eligible dependent(s) are required to enroll in Medicare Parts A and B as primary. The Office of Pensions provides Special Medicfill coverage as secondary, which is the supplement to Medicare.

Within each of the health plans, except Special Medicfill, the retiree may select either Individual, Subscriber and Child(ren), Subscriber and Spouse or Family coverage. Special Medicfill is an individual plan.

Dental Insurance

Coverage is available upon retirement. Within each of the plans, the retiree may elect Individual, Subscriber and Child, Subscriber and Spouse, or Family coverage.

Vision Insurance

Coverage is available upon retirement. Within each of the plans, the retiree may elect Individual, Subscriber and Child, Subscriber and Spouse, or Family coverage.

DISCLAIMER: IN THE CASE OF CONFLICT BETWEEN THIS BROCHURE AND THE PLAN, THE PLAN PREVAILS.